

Saint Joseph's University

High Deductible Health Plan and Health Savings Account

Personal Choice High Deductible Health Plan

The Personal Choice High Deductible Health Plan (“HDHP”) is a health plan with a front-end deductible. The in-network deductible is \$1,500 for individuals and \$3,000 for family coverage. All covered benefits apply to the deductible, (including prescription drugs) except preventive care, which is covered at no cost. The HDHP offers the same network of physicians and hospitals as the Personal Choice 20/30/70. The employee will be responsible for payment for covered benefits until the deductible has been met.

Key Plan Features: High Deductible Health Plan (HDHP)

- ➔ Plan can be aligned with a Health Savings Account
- ➔ **Effective November 1, 2013, the University will contribute \$750 annually (individual) and \$1,500 annually (spouse and/or dependents) towards the HSA**
- ➔ You are not required to have a primary care provider or get referrals for care
- ➔ Preventive care benefits are covered at 100% with no deductible
- ➔ There is a \$1,500 employee and \$3,000 family deductible
- ➔ All other non-prescription benefits are covered at 100% after the deductible
- ➔ Prescription Drugs \$5 Generic, \$20 Brand Formulary, \$45 Non-Formulary – after deductible

Health Savings Account

A Health Savings Account (“HSA”) is a tax-advantaged personal savings or investment account that individuals can use to save and pay for qualified healthcare expenses, now or in the future. To be eligible, an employee must be enrolled in a qualified high deductible health plan.

Independence Blue Cross has a preferred relationship with The Bancorp Bank to provide HSA services to its members. SJU will deposit employee contributions to a Bancorp HSA through payroll deductions on a pre-tax basis, although employees may elect to open an HSA with the bank of their choice, but direct payroll deposit will not be possible.

Key Plan Features: Health Savings Account (HSA)

- ➔ Employee contributions are tax- free and HSA balances can be rolled over from year to year
- ➔ Employees enrolled in the HDHP do not have to establish an HSA and may choose to fund the deductible with after-tax dollar
- ➔ You can use the HSA to pay for “qualified medical expenses” to include medical, dental, vision and prescription drug expenses, as well as for qualified medical expenses for spouses and dependents, even if covered under another plan
- ➔ HSA’s can be used to purchase long-term care insurance and fund medical expenses throughout retirement
- ➔ If you are currently enrolled in a Flexible Spending Account, you must wait until the end of the plan year (12/31) or the end of the grace period (3/15), as applicable, to begin funding your HSA. Once all FSA funds have been reimbursed, the University will catch-up your contribution to the HSA from November 1
- ➔ To be eligible for a Health Savings Account, an employee cannot be enrolled in Medicare
- ➔ If an employee is currently enrolled in Medicare, the University will provide the HSA contribution in the first pay of each month as taxable compensation
- ➔ After age 65, HSA’s can be used to fund qualified medical expenses such as medical premiums, deductibles, coinsurance, copays, prescriptions, vision, dental or a portion of long term care but not “Medigap”.

